

AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: JUNE 17, 2009

DEPARTMENT: CITY MANAGER

DIRECTOR: ELIZABETH N. FRETWELL

☐ Consent ☒ Discussion

SUBJECT:

ADMINISTRATIVE:

Discussion and possible action concerning the status of the 2009 legislative issues - All Wards

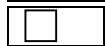
Fiscal Impact



No Impact



Augmentation Required



Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

Staff will report on legislation of the 2009 Nevada State Legislature

RECOMMENDATION:

It is recommended that the City Council accept the report and direct staff if necessary

BACKUP DOCUMENTATION:

Submitted at Meeting – PowerPoint Presentation by Staff

Motion made by GARY REESE to Accept the report

Passed For: 6; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

LOIS TARKANIAN, STEVE WOLFSON, OSCAR B. GOODMAN, GARY REESE, STEVEN D. ROSS, STAVROS S. ANTHONY; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-RICKI Y. BARLOW)

Minutes:

TED OLIVAS, Director of Administrative Services, thanked the Councilmembers for their support, the directors that sacrificed staff, and the employees and lobbyists that assisted in this legislative session. He then gave a PowerPoint presentation, a copy of which is made a part of the minutes, to brief the Council on the 2009 legislative session, including the following points: 2009 Final Report, City of Las Vegas Bills, Topics of Interest, Bills with Direct Fiscal Impact to the City, Revenue Sources used to Fund State Budget, Other Bills of Interest, 2009 Term Out Legislators, Interim Actions and 2011 Legislative Session. He noted that a detailed legislative summary would be forthcoming on specific bills that relate to and impact the City of Las Vegas.

Regarding Assembly Bill (AB) 304, MR. OLIVAS stated that the State sought \$75 million for the reopening of F Street; however, the City was able to negotiate the use of Redevelopment

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Agency (RDA) monies that were already programmed and monies earmarked from the two-cent City Property Tax to help fund the State budget.

COUNCILMAN ROSS commented the City would have done really well in this legislative session had it not been for AB 304. MR. OLIVAS explained that AB 304 was sponsored by ASSEMBLYMAN RICHARD SEGERBLOM regarding neighborhood preservation, which the City fully supported. However, the City did not anticipate an amendment to the Bill which would take \$75 million from Redevelopment funds and future revenues to fund design and reopening of F Street. City legislative staff had negotiated to successfully reduce the impact to the City.

CITY MANAGER ELIZABETH FRETWELL further explained that given the loss of \$75 million from the General Fund as well as losses in Redevelopment Agency capital money, the negotiated loss of \$2.5 million in property taxes is a more manageable impact. She noted that without home-rule authority, at each legislative session the legislature comes up with difficult mandates on the City, and this will continue to happen until the citizenry or legislators change the way local governments are managed. She hopes the City will be given greater authority in the future.

COUNCILMAN REESE stated that the legislators are not responsive to the wants and needs of the public.

MAYOR GOODMAN stated that the City was advised by legislators to work together with other local jurisdictions or state monies from the Consolidated Tax would be withheld from the City.

In going over the various legislators whose terms are due to expire, MR. OLIVAS mentioned that City staff will have the monumental task of educating their replacements, as they deal with a multitude of complex bills. City staff will start taking interim action in preparation for the 2011 Legislative Session.

MR. OLIVAS introduced BOB OSTROVSKY, Ostrovsky and Associates, and DAVID GOLDWATER, Goldwater Financial, to give their perspective of the 2009 legislative session. MR. OSTROVSKY stated that the operational differences between the State and the City is that the State creates a budget for projects and funds them by seeking revenues. Conversely, the City, with finite revenue sources and limited authority to increase taxes, creates its budget based on projected revenue streams. The State's focus is going to become even more intense during the 2011 legislative session since this year's budget was built on stimulus money, tax increases that will sunset and the belief that the economy will have improved by 2011.

MR. OSTROVSKY projected that existing property taxes will begin a downward trend that will impact the State's ability to fund services, such as schools, which will cause legislators to look into raising taxes and tapping into the municipalities' revenue sources. He felt that there is a great need to educate the constituents about tax revenues and how every dollar is spent, as well as the great risk to services provided to them.

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COUNCILMAN WOLFSON agreed with the comments of MR. OSTROVSKY that the legislators and the public have to be educated on the services provided by the City.

MR. GOLDWATER thanked the Councilmembers for their confidence and for allowing him to work with the City team in the areas of redevelopment and tourism improvement districts. The two major pieces of legislation that would have gutted the City's RDA were proposed by ASSEMBLY SPEAKER BARBARA BUCKLEY, who argued that a significant portion RDA tax funds should be directed for schools and only remaining funds after to the RDA. In defending the RDA, he had to educate numerous people on what the State's largest, most active RDA does and how it benefits the local community. Regarding the Tourism Improvement District, MR. GOLDWATER indicated that despite all the efforts, the sunset date remains unchanged. The Culinary and Bartenders Union was very active in how the RDA should move forward.

MR. GOLDWATER stated that despite an uphill battle during this legislative session, the entire City Team negotiated in good faith and conducted itself in such a way that it positioned the City well for advancing its objectives in the future.

CITY MANAGER FRETWELL thanked the many legislators that tried to help the City, as well as the Councilmembers for their support, the City team for doing a fabulous job and various community groups that came to the City's aid. The outcome of this session could have been worse without all the support.

MAYOR GOODMAN regarded this session as a band-aid session in which nothing was accomplished. The constituents have to be educated on the fact that the City is a creature of the State and that, without monies from the State, all the services would dissipate. This is why it is imperative to strive for home rule and for a more open State government that has to comply with the Open Meeting Law. Unlike State lawmakers, councilmembers of any municipality cannot meet behind closed doors and gain consensus; everything has to be done openly. State lawmakers can meet in backrooms and make deals. Unless these issues are addressed and the public educated, the City will have the same outcome in 2011. He hopes that City staff is prepared to take on this arduous task.

COUNCILMAN WOLFSON said that he hopes for and envisions a fresh approach and an open dialogue for the 2011 legislative session.

MR. OLIVAS explained for COUNCILWOMAN TARKANIAN that the bill that would have aligned the municipal elections and saved the taxpayers over \$1 million, was not passed. COUNCILMAN REESE clarified that the bill would have saved \$5 million over ten years and extended MAYOR GOODMAN'S and his terms by about 16 months. COUNCILMAN REESE stated that the real reason it did not pass is because the Mayor would not apologize to representatives of the Culinary Union as requested by legislators.

COUNCILMAN REESE thanked the City's legislative team, legislators and staff for their hard work.